

UNITED STATES GOVERNMENT

MEMORANDUM

DATE: November 17, 2004

REPLY TO

ATTN OF: Tracey L. Wilson
Competition and Policy Division
Wireline Competition Bureau
445 12th., S.W., Room 5-C212
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

SUBJECT: Expedited Posting to the ECFS system for:
**Streamlined Application of Cypress Communications Holding Co.,
Inc. (Transferor) and TechInvest (Transferee), Pursuant to Section
214 of the Communications Act of 1934 as Amended, for Consent to
Transfer of Control of U.S. Domestic Communications Common
Carriers.**

WC Docket No. 04- 418

TO: Imagining Office
CY C203B
445 12th., S.W., Room TWB-204
Washington, D.C. 20554

The attached application was date stamped received by Commission and assigned docket Number 04-____. A Public Notice seeking comments will be released within (48) hours.

Please expedite the placing of the attached application on the ECFS in Docket WC 04-____, no later than (November 19, 2004) This item is processed on a streamlined schedule and will be placed on Public Notice on November 22, 2004.

If you require further information, please free to contact me at (202) 418-1394.
Thank you for your assistance.

Tracey L. Wilson

Competition and Policy Division
Wireline Competition Bureau

WC 04-418

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

TYSONS CORNER

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November 12, 2004

Hand Delivery Via Courier

Federal Communications Commission
Wireline Competition Bureau – CPD – 214 Appls.
P.O. Box 358145
Pittsburgh, PA 15251-5145

Re: In the Matter of Cypress Communications Operating Company, Inc. Application for
Consent to Transfer Of Control of a Company Holding an International Authorization
and a Blanket Domestic Authorization Pursuant to Section 214 of the Communications
Act of 1934, as Amended

Enclosed for filing, on behalf of Cypress Communications Holding Co., Inc. and
TechInvest Holding Company, Inc. ("THC") (collectively the "Parties"), please find an original
and five copies of the above-captioned application. The Parties request authority for the transfer
of Cypress Communications Operating Company, Inc. to a new group of shareholders that
includes THC. This application is being filed concurrently with the International Bureau via its
IBFS electronic program.

Remittance Form 159 and a check to cover the \$895 filing fee are appended. An
additional copy of this filing for date-stamp and return has been provided as well. If there are
any questions regarding this application, please contact Joan Griffin at (703) 918-2320. Thank
you in advance for your assistance with this matter.

Sincerely,

Winafred Brantl

Winafred Brantl

Enclosures

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page 1 of 1

(1) LOCK BOX # 358145			
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Kelley Drye & Warren LLP		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$895.00	
(4) STREET ADDRESS LINE NO. 1 8000 Towers Crescent Drive			
(5) STREET ADDRESS LINE NO. 2 Suite 1200			
(6) CITY Vienna		(7) STATE VA	(8) ZIP CODE 22182
(9) DAYTIME TELEPHONE NUMBER (include area code) 703-918-2320		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0006-5547-78			
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME TechnInvest Holding Company, Inc.			
(14) STREET ADDRESS LINE NO. 1 c/o Crescent Capital Investments, Inc.			
(15) STREET ADDRESS LINE NO. 2 75 Fourteenth Street, 24th Floor			
(16) CITY Atlanta		(17) STATE GA	(18) ZIP CODE 30309
(19) DAYTIME TELEPHONE NUMBER (include area code) 404-920-9000		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0012100814			
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$895.00	(27A) TOTAL FEE \$895.00		
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE		
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>Alvinator Brown</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>Alvinator Brown</u>		DATE <u>11/19/04</u>	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described.			
SIGNATURE _____		DATE _____	

SEE PUBLIC BURDEN ON REVERSE

FCC FORM 159

FEBRUARY 2003 (REVISED)

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
CYPRESS COMMUNICATIONS OPERATING COMPANY, INC.)	Docket No. _____
)	
Application for Consent to Transfer of Control of a Company Holding International Authorizations and a Blanket Domestic Authorization Pursuant to Section 214 of the Communications Act of 1934, as Amended)	
)	

APPLICATION

Cypress Communications Holding Co., Inc. ("Cypress Holding") and TechInvest Holding Company, Inc. ("THC")¹ hereby request authority pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. §214 (the "Act"), and Sections 63.04 and 63.24(e) of the Commission's Rules, 47 CFR §§ 63.04, 63.24(e), for the transfer of control of Cypress Operating to a new group of shareholders. Cypress Operating is a provider of in-building networks and a reseller of telecommunications services. Cypress holds international global facilities-based and global resale authority that was granted by the Commission pursuant to Section 214 of the Act² and provides resold domestic interstate common carrier services pursuant to blanket Section 214 authority.

¹ Cypress Holding, together with its direct and indirect subsidiaries, Cypress Communications, Inc. ("Cypress Communications") and Cypress Communications Operating Company, Inc. ("Cypress Operating") are collectively referred to as "Cypress." Cypress and THC are collectively referred to as the "Parties" or "Applicants."

² File Nos. ITC-214-19951226-00060 and ITC-214-20000413-00203.

As described in detail below, the proposed transaction will result in a change in ownership of Cypress, but the management and operation of Cypress will continue largely unchanged. The new owners will be largely passive foreign investors who are clients of Crescent Capital Investments, Inc. ("Crescent"), a Delaware corporation with its headquarters in Atlanta, Georgia. Crescent originates and advises a diversified portfolio of companies for its investors, including such U.S. entities as Caribou Coffee and American Pad & Paper ("AMPAD"). Thus, while the financial transaction described below is somewhat complex in structure, the end result to Cypress on a day-to-day management basis will be only that it is stronger financially and, therefore, better able to serve its current customers and compete for new customers.

The Applicants respectfully request streamlined treatment of this Application pursuant to Sections 63.03 and 63.12 of the Commission's Rules, 47 C.F.R. §§ 63.03 and 63.12. This Application is eligible for streamlined processing pursuant to Section 63.03(b)(1) of the Commission's Rules, 47 C.F.R. § 63.03(1), because neither THC nor any of its affiliates (as that term is defined in Section 3(1) of the Act) is a telecommunications provider. This Application also qualifies for streamlined treatment under Section 63.12 because, in accordance with Section 63.12(c), (a) neither THC nor Cypress Operating is affiliated with a foreign carrier, and neither company will become affiliated with any foreign carrier as a result of the proposed transaction; (b) neither Cypress Operating nor THC has any affiliation with any dominant U.S. carrier; and (c) no authority is requested to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines.

I. APPLICANTS

A. Cypress Operating

Cypress Operating, the holder of Cypress' Section 214 authorizations, is a corporation organized and existing under the laws of Delaware with its principal place of business located at 15 Piedmont Center, 3575 Piedmont Road, Suite 100, Atlanta, Georgia 30305. Cypress Operating is a wholly-owned subsidiary of Cypress Communications, which in turn is a wholly-owned subsidiary of Cypress Holding. Cypress Holding is a publicly-traded corporation organized under the laws of Delaware with the same principal place of business as Cypress Operating. An organization chart for Cypress pre-close is provided in Exhibit A. While several of the existing shareholders in Cypress Holding hold a 10 percent or greater equity interest in the company, no shareholder or group of shareholders controls Cypress.

Cypress is a provider of bundled telecommunications services to small and medium-sized businesses located in multi-tenant commercial office buildings in major metropolitan markets in the U.S.³ Specifically, Cypress offers its customers integrated service bundles that include local, long distance, and international telecommunications services; high-speed Internet connectivity; e-mail services; fully-managed firewall services; web hosting; virtual private networks; feature-rich digital desktop stations; calling cards; audio and web conferencing; and digital business television. Cypress delivers these services over in-building networks that it owns and operates. However,

³ Cypress currently provides service in the following markets: Atlanta, Birmingham, Boston, Chicago, Dallas, Denver, Hartford, Houston, Indianapolis, Miami, Minneapolis, Nashville, New Orleans, New Jersey, New York, Orlando, Philadelphia, Phoenix, Pittsburgh, Portland, San Francisco, Seattle, Southern California (Los Angeles and Orange County), Tampa, and Washington, D.C.

Cypress does not own or operate any switches or transmission facilities outside of the multi-tenant buildings in which its customers are located. Rather, Cypress obtains external transmission facilities and other network elements and telecommunications services from other carriers to connect its customers to the Internet and the public switched network. In other words, Cypress's regulated telecommunications services are provided entirely on a resale basis using facilities and switches that are owned and operated by other telecommunications carriers.

B. THC

THC is a Delaware corporation established to effect the purchase of Cypress Holding. THC is an indirect subsidiary of First Islamic Investment Bank, E.C. ("FIIB"). The acquisition of Cypress was identified, structured, and executed by Crescent, an indirect, wholly-owned U.S. subsidiary of FIIB. FIIB and Crescent are discussed in detail below.

FIIB. FIIB is a joint stock company organized under the laws of the Kingdom of Bahrain. Founded in 1996, FIIB is headquartered in Bahrain with U.S. and U.K. subsidiary offices in Atlanta and London. FIIB has a paid-in share capital of approximately \$154 million provided by 181 prominent individuals and institutions, and operates under an investment banking license granted by the Bahrain Monetary Agency. In the U.S., FIIB operates through Crescent. An organization chart for FIIB pre-close is provided in Exhibit A. While one shareholder holds approximately 10.5 percent of the ownership interest in FIIB, and the employees of FIIB and Crescent collectively hold approximately 11 percent of the ownership interest, no shareholder or group of

shareholders holds a controlling interest in FIIB, and there are no voting or other agreements that would give control to one shareholder or group of shareholders.⁴

The mission of FIIB is to provide innovative and distinctive investment opportunities that generate superior risk-adjusted returns for its shareholders and investors. FIIB's main lines of business are corporate investment, real estate investment, and asset-based investment. With respect to corporate investment, FIIB acts as a principal and arranger in the acquisition of controlling interests in successful companies. FIIB's current corporate investment portfolio consists of ten U.S. companies in various sectors including manufacturing, services, and technology. Neither FIIB nor any of its affiliates (as that term is defined in Section 3(1) of the Act) currently provide telecommunications services or hold a 10 percent or greater direct or indirect equity interest in any entity providing telecommunications services in the U.S. or abroad.

Crescent. Crescent is a Delaware corporation based in Atlanta, Georgia. Crescent is principally engaged in identifying and structuring investments for the benefit of its parent company, FIIB, and clients of FIIB. Crescent identifies, structures and advises FIIB and its co-investors with respect to investments in operating companies, real estate, and asset-based transactions, and provides management and strategic advice to such operating companies and joint venture vehicles. Since its founding in 1997, Crescent has arranged 13 corporate acquisitions (12 in the U.S.) with a total transaction value of \$1.4 billion resulting in a diverse portfolio across a wide range of industry sectors. Representative investments include Loehmann's Holdings, Inc. (high-end discount retailing), Caribou Coffee Company, Inc. (specialty retailing), Cirrus Industries,

⁴ Moreover, because of the proposed post-close ownership structure described below, no FIIB shareholder or group of shareholders will have a 10 percent or greater equity or voting interest in Cypress.

Inc. (aerospace manufacturing), AMPAD (manufacturing of paper-based office products), MediFax-EDI, Inc (healthcare claims processing) and Smart Documents Solutions, LLC (medical records processing). Crescent has also arranged 18 real estate and asset-based transactions representing approximately \$4.3 billion in aggregate enterprise value.

With respect to FIIB's proposed investment in Cypress, Crescent will provide management and strategic advice to FIIB post-close. Crescent's management is comprised primarily of U.S. citizens who are experienced in the banking and investment business. Crescent also has an advisory board, the role of which is to provide advice and consultation to Crescent and its affiliated companies on business, international relations, legislative, regulatory and political issues. The members of the advisory board are Wyche Fowler, Jr. and Samuel L. Hayes. Senator Fowler represented Georgia for 16 years in the United States Congress, as a senator from 1987 to 1993 and as a member of the House of Representatives from 1977 to 1987. He was the U.S. Ambassador to the Kingdom of Saudi Arabia from 1996 until 2001. Senator Fowler is now engaged in an international business and law practice, while serving as Chairman of the Board of the Middle East Institute, a non-profit research foundation in Washington, D.C. Samuel L. Hayes holds the Jacob H. Schiff Chair in Investment Banking, Emeritus at the Harvard Business School.

II. DESCRIPTION OF THE TRANSACTION

On November 5, 2004, TechInvest Acquisition, Inc. ("Merger Corporation"), THC and Cypress Holding entered into an Agreement and Plan of Merger (the "Merger Agreement"), a copy of which is provided in Exhibit B. Merger Corporation is a Delaware corporation and wholly-owned subsidiary of THC that was incorporated for the

sole purpose of entering into the Merger Agreement and consummating the transactions contemplated thereby.

Pursuant to the Merger Agreement, Merger Corporation will merge with and into Cypress Holding, with Cypress Holding being the surviving corporation and becoming a direct, wholly-owned subsidiary of THC. The Merger Agreement provides that the existing shareholders of Cypress Holding are entitled to receive in cash an amount equal to \$39,350,000, subject to adjustment for changes in working capital prior to closing and after repayment of certain indebtedness of Cypress Holding, for all of the outstanding capital stock of Cypress Holding. The closing of the transaction is contingent on receipt of necessary regulatory approvals and the approval of the shareholders of Cypress Holding, among other things.

The post-close ownership structure of Cypress is described below, and an organization chart for Cypress post-close is provided in Exhibit A. While the ownership structure is complex, the bottom line is that FIIB will control Cypress, and no person will hold interests that would be sufficient to constitute a 10 percent or greater equity or voting interest in Cypress post-close or confer the ability to control Cypress.

A. Post-Close Equity Ownership of Cypress

After closing, FIIB expects to finance the merger in part through funds raised in an offering of shares in offshore investment companies ("shares offering"). In connection with this shares offering, THC will issue 18.99 percent of its non-voting common stock to each of four (4) Cayman Islands entities, all companies limited by shares – TechAccess Capital Limited, TechShield Capital Limited, TechNet Capital Limited, and TechTV Capital Limited (collectively, the "Non-Voting Cayman Entities"). After closing,

interests in these Cayman Islands entities will be sold through a shares offering to non-U.S. persons. Shareholders of FIIB, other than employees of FIIB and Crescent, will be eligible to purchase and hold these shares. However, no investor in the Non-Voting Cayman Entities will be allowed to hold an ownership interest in the Non-Voting Cayman Entities that, separately or combined with the investor's interest in FIIB, would be sufficient to constitute a 10 percent or greater equity interest in Cypress post-close.

As noted, the THC common stock to be held by the Non-Voting Cayman Entities will not confer voting rights. Accordingly, the investors in the Non-Voting Cayman Entities who are not also shareholders in FIIB will be wholly passive investors. They will not have any right or ability to direct or influence the strategic decisions or the day-to-day operations of Cypress, to nominate Cypress' directors, or to direct the hiring or termination of Cypress's employees and management. Investors in the Non-Voting Cayman Entities who are also shareholders in FIIB will be largely passive investors. Any influence of these investors will be limited to their ownership interests in FIIB. Moreover, as noted previously, no shareholder or group of shareholders controls FIIB, and no person will be allowed to hold shares in the Non-Voting Cayman Entities and/or FIIB that would be sufficient to constitute a 10 percent or greater equity interest in Cypress post-close or confer the ability to control Cypress.

Financing for the merger will also be provided in part through a shares offering to FIIP Limited ("FIIP"), a Cayman Islands company limited by shares. FIIP is the corporate vehicle for participation in THC by FIIB and Crescent employees. THC will issue 3.28 percent of its non-voting common stock to FIIP. No employee of FIIB or Crescent will be allowed to hold an ownership interest in FIIP that, separately or

combined with the employee's interest in FIIB, would be sufficient to constitute a 10 percent or greater ownership interest in Cypress post-close or confer the ability to control Cypress.

After the financing arrangements with the Non-Voting Cayman Entities and FIIP are complete, FIIB will retain no more than 18.76 percent of the non-voting stock in THC through a wholly-owned indirect subsidiary, TechInvest Holdings Limited ("THL"), a Cayman Islands company limited by shares.

B. Post-Close Voting Interests in Cypress

All of the voting stock of THC will be held by 15 Cayman Island entities, each a company limited by shares (collectively, the "Voting Cayman Entities").⁵ The ownership of the voting stock will be divided equally between these companies. Accordingly, each Voting Cayman Entity will individually hold approximately 6.67 percent of the voting interest in THC and thus approximately 6.67 percent of the voting interest in Cypress under the Commission's rules. In total, the voting stock of THC will represent 2 percent of the aggregate equity value of THC. As such, none of the Voting Cayman Entities will hold a 10 percent or greater equity or voting interest in Cypress post-close.

The ownership interest in the Voting Cayman Entities will be held by approximately 50 international investors (the "International Investors"). Some of the International Investors are also shareholders in FIIB, but none are employees of FIIB or Crescent. Each International Investor has granted a revocable proxy to First Islamic

⁵ These companies are Amity Investment III Limited; Brace Investment III Limited; Coalition Investment III Limited; Enable Investment III Limited; Federation Investment III Limited; Group Investment III Limited; League Investment III Limited; Order Investment III Limited; Patron Investment III Limited; Society Investment III Limited; Tutor Investment III Limited; Joint Investment III Limited; Matrix Investment III Limited; United Investment III Limited; and Yield Investment III Limited.

Investment Management Limited ("FIIM"), a wholly-owned indirect subsidiary of FIIB, to vote the investor's shares on all matters. In addition, each Voting Cayman Entity has entered into an administrative agreement with FIIM pursuant to which FIIM will be authorized to vote the voting stock of THC and make all major decisions on behalf of the Voting Cayman Entities. The boards of directors of the Voting Cayman Entities consist entirely of FIIB personnel. No International Investor or group of International Investors will be allowed to hold ownership interests in the Voting Cayman Entities that, separately or combined with any interest in FIIB, would be sufficient to constitute a 10 percent or greater voting interest in Cypress post-close or confer the ability to control Cypress. To the best of THC's knowledge and belief, there are no voting arrangements or other agreements to act in concert between or among the International Investors.

III. PUBLIC INTEREST STATEMENT

The transfer of control of Cypress to a new group of shareholders pursuant to the Merger Agreement will serve the public interest. Grant of this Application will allow the existing shareholders of Cypress to exit the telecommunications business in an orderly fashion. THC will supplement Cypress' current management, the majority of whom will be retained post-close, and will bring additional capital to Cypress. In so doing, THC will strengthen Cypress and better ensure that it remains a viable long-term competitor in the telecommunications marketplace. Given the difficulties with which the competitive telecommunications industry is now struggling, the creation of a financially stronger telecommunications competitor would benefit consumers.

At the same time, no anticompetitive effects will result from the grant of this Application. Since this is a stock transaction as opposed to an asset sale, the transfer of

control of Cypress will not result in a change of carrier for Cypress' customers. Immediately following consummation of the transaction, Cypress will continue to provide high-quality communications services to its customers without interruption and without immediate change in rates, terms or conditions. In fact, the operations of Cypress Communications will largely continue to be determined by many of the same management, technical, and customer service personnel that currently oversee those operations. Since neither THC nor any of its affiliates is presently a participant in the telecommunications market, no competitors will be eliminated as a result of the proposed transaction. Also, the Parties note that neither Party has any affiliations with any foreign carriers.

The proposed foreign ownership of Cypress also does not present an issue. As discussed above, Cypress primarily provides Internet Protocol-based information services and resells local, long distance, and international telecommunications services. While the Company owns and controls in-building networks, it does not own or operate any transmission or switching facilities that are part of the public switched telecommunications network or, indeed, any, facilities outside of the buildings in which its customers are located.

Further, as discussed above, FIIB is based in Bahrain, which is a member of the World Trade Organization ("WTO") and a key U.S. ally in the Middle East. No individual investor will have a 10 percent or greater equity or voting interest in Cypress or will be able to control Cypress. In addition, the majority of the equity interest in Cypress will be held by the Non-Voting Cayman Entities, who are merely passive investors without the right or ability to direct the business of Cypress. One hundred

percent of the voting rights in THC will be exercised by FIIM, which is wholly owned and controlled by FIIB, or by FIIB personnel by virtue of the arrangements described above. Finally, the day-to-day operations of Cypress will remain largely in the hands of the same U.S. personnel that currently operate the company. Accordingly, the proposed transaction does not present any risk to U.S. national security or law enforcement interests.

IV. INFORMATION REQUIRED BY SECTION 63.24(e) OF THE COMMISSION'S RULES

In support of this Application, the Applicants submit the following information pursuant to Section 63.24(e) of the Commission's Rules, including the information requested in Section 63.18:

(a) Name, address and telephone number of Applicants:

TechInvest Holding Company, Inc.
c/o Crescent Capital Investments, Inc.
75 Fourteenth St., 24th Floor
Atlanta, GA 30309
Tel: 404-920-9000
Fax: 404-920-9001
FRN: 0012-1008-14

Cypress Communications Holding Co., Inc.
15 Piedmont Center, Suite 100
3575 Piedmont Road
Atlanta, Georgia 30305
Tel: (404) 869-2500
Fax: (404) 442-0343
FRN: 0007-2673-47

(b) Cypress Holding is a corporation organized under the laws of Delaware. THC is a corporation formed under the laws of Delaware.

- (c) Correspondence concerning this Application should be sent to:

<p>Gregory P. McGraw President and Chief Executive Officer Cypress Communications Holding Co., Inc. 15 Piedmont Center, Suite 100 3575 Piedmont Road Atlanta, GA 30305 Tel: 404-869-2500 Fax: 404-442-0343 gmcgraw@cypresscom.net</p>	<p>Charles H. Ogburn President TechInvest Holding Company, Inc. c/o Crescent Capital Investments, Inc. 75 Fourteenth St., 24th Floor Atlanta, GA 30309 Tel: 404-920-9000 Fax: 404-920-9001 cogburn@crescentcapital.com</p>
<p>Jean L. Kiddoo Paul O. Gagnier Kathy L. Cooper Swidler Berlin Shereff Friedman, LLP 3000 K Street, NW, Suite 300 Washington, DC 20007-5116 Tel: 202-424-7500 Fax: 202-295-8478 JLKiddoo@swidlaw.com POGagnier@swidlaw.com KLCooper@swidlaw.com</p>	<p>Danny E. Adams Joan M. Griffin Kelley Drye & Warren LLP 8000 Towers Crescent Drive Suite 1200 Vienna, VA 22182 Tel: 703-918-2300 Fax: 703-918-2450 adamd@kelleydrye.com grifi@kelleydrye.com</p>

- (d) Cypress Operating has authority under Section 214 of the Act granted by the Commission in File Nos. ITC-19951226-00060 and ITC-20000413-00203. THC has not previously held Section 214 authority.
- (h) Following consummation of the transaction contemplated by the Merger Agreement, the following entities will hold a 10 percent or greater equity interest in Cypress Operating:

Cypress Holding. Cypress Operating will continue to be a wholly-owned subsidiary of Cypress Communications, which, in turn, is a wholly-owned subsidiary of Cypress Holding. Cypress Operating, Cypress Communications, and Cypress Holding are Delaware corporations whose address is as stated in (a) above.

THC. TechInvest Holding Company, Inc., a Delaware corporation, will hold 100 percent of the equity interest in Cypress Holding and thus a 100 percent equity interest in Cypress Operating. THC is a holding company whose address is Crescent Capital Investments, Inc., 75 Fourteenth St., 24th Floor, Atlanta, GA 30309.

Non-Voting Cayman Entities. TechAccess Capital Limited, TechShield Capital Limited, TechNet Capital Limited, and TechTV Capital Limited (collectively, the "Non-Voting Cayman Entities") will each hold 18.99 percent equity interest in THC and thus an 18.99 percent equity interest in Cypress Operating. The Non-Voting Cayman Entities are holding companies and Cayman Islands companies limited by shares whose addresses are West Wind Building, P.O. Box 1111, George Town, Grand Cayman, B.W.I. Interests in the Non-Voting Cayman Entities will be sold to non-U.S. persons to raise additional equity financing. None of these investors will hold a 10 percent or greater equity interest in Cypress Operating under the Commission's ownership attribution rules.

THL. TechInvest Holdings Limited ("THL") will hold an 18.76 percent equity interest in THC and thus an 18.76 equity interest in Cypress Operating. THL is a holding company and a Cayman Islands company limited by shares whose address is West Wind Building, P.O. Box 1111, George Town, Grand Cayman, B.W.I. THL is a wholly-owned subsidiary of First Islamic Investment Holdings Limited ("FIHH"), a holding company and a Cayman Islands company limited by shares whose address is West Wind Building, P.O. Box 1111, George Town, Grand Cayman, B.W.I. FIHH is a wholly-owned subsidiary of First Islamic Investment Bank, E.C. ("FIIB"), a joint stock company organized under the laws of the Kingdom of Bahrain whose principal business is investment and whose address is P.O. Box 1406, Manama, Kingdom of Bahrain. The management of FIIB and another FIIB subsidiary, Crescent Capital Investments, Inc. ("Crescent"), will hold an additional 3.28 percent equity interest in THC through FIIP Limited ("FIIP"), a holding company and a Cayman Islands company limited by shares whose address is West Wind Building, P.O. Box 1111, George Town, Grand Cayman, B.W.I. No shareholder of FIIB will hold a 10 percent or greater equity interest in Cypress Operating under the Commission's ownership attribution rules.

THC states that following consummation of the transaction, no officer or director of Cypress Operating will also be an officer or director of any foreign carrier.

- (i) As evidenced by the signatures to this Application, THC certifies that (a) THC is not a foreign carrier and is not affiliated with a foreign carrier, and (b) neither THC nor Cypress Operating will become a foreign carrier or become affiliated with a foreign carrier post-close.
- (j) As evidenced by the signatures to this Application, THC certifies that through its acquisition of control of Cypress Operating it does not seek to provide international telecommunications services to any destination country where (a) THC is a foreign carrier; (ii) THC controls a foreign carrier; (iii) any entity that owns more than 25 percent of THC, or that controls THC, controls a foreign carrier in that country; or (iv) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of THC and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) As evidenced by the signatures to this Application, THC certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, and that neither THC nor Cypress Operating will enter into such agreements in the future.
- (o) As evidenced by the signatures to this Application, Applicants certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, that they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) Applicants request streamlined processing of this Application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12. This Application qualifies for streamlined treatment under Section 63.12 because, in accordance with Section 63.12(c), (i) neither THC nor Cypress Operating is affiliated with a foreign carrier, and neither company will become affiliated with any foreign carrier as a result of the proposed transaction; (ii) neither Cypress Operating nor THC has any affiliation with any dominant U.S. carrier; and (iii) no authority is requested to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines.

V. INFORMATION REQUIRED BY SECTION 63.04(b) OF THE COMMISSION'S RULES

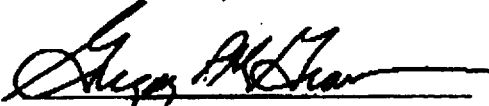
In accordance with the requirements of Section 63.04(b) of the Commission's Rules, the additional information required for the domestic Section 214 transfer of control application is provided in Exhibit C.

VI. CONCLUSION

Based on the foregoing, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application.

Respectfully submitted,

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VI. CONCLUSION

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Respectfully submitted,

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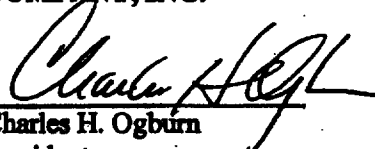
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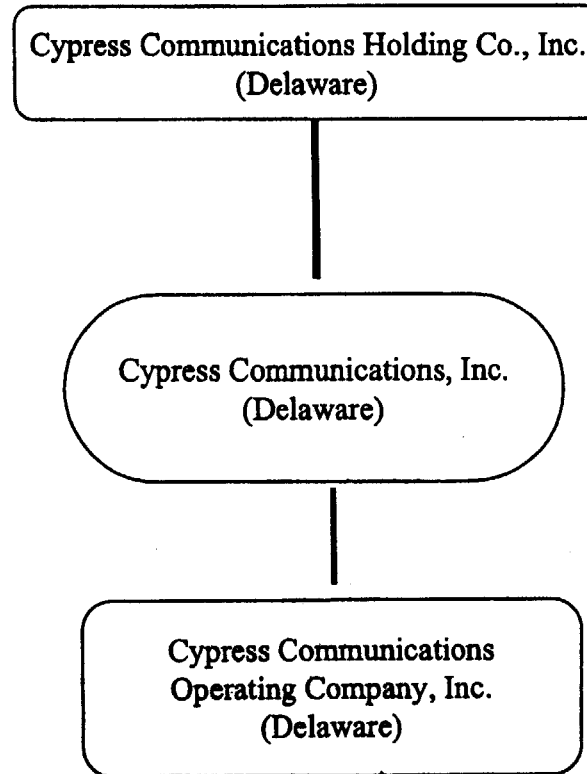
Its Attorneys

LIST OF EXHIBITS

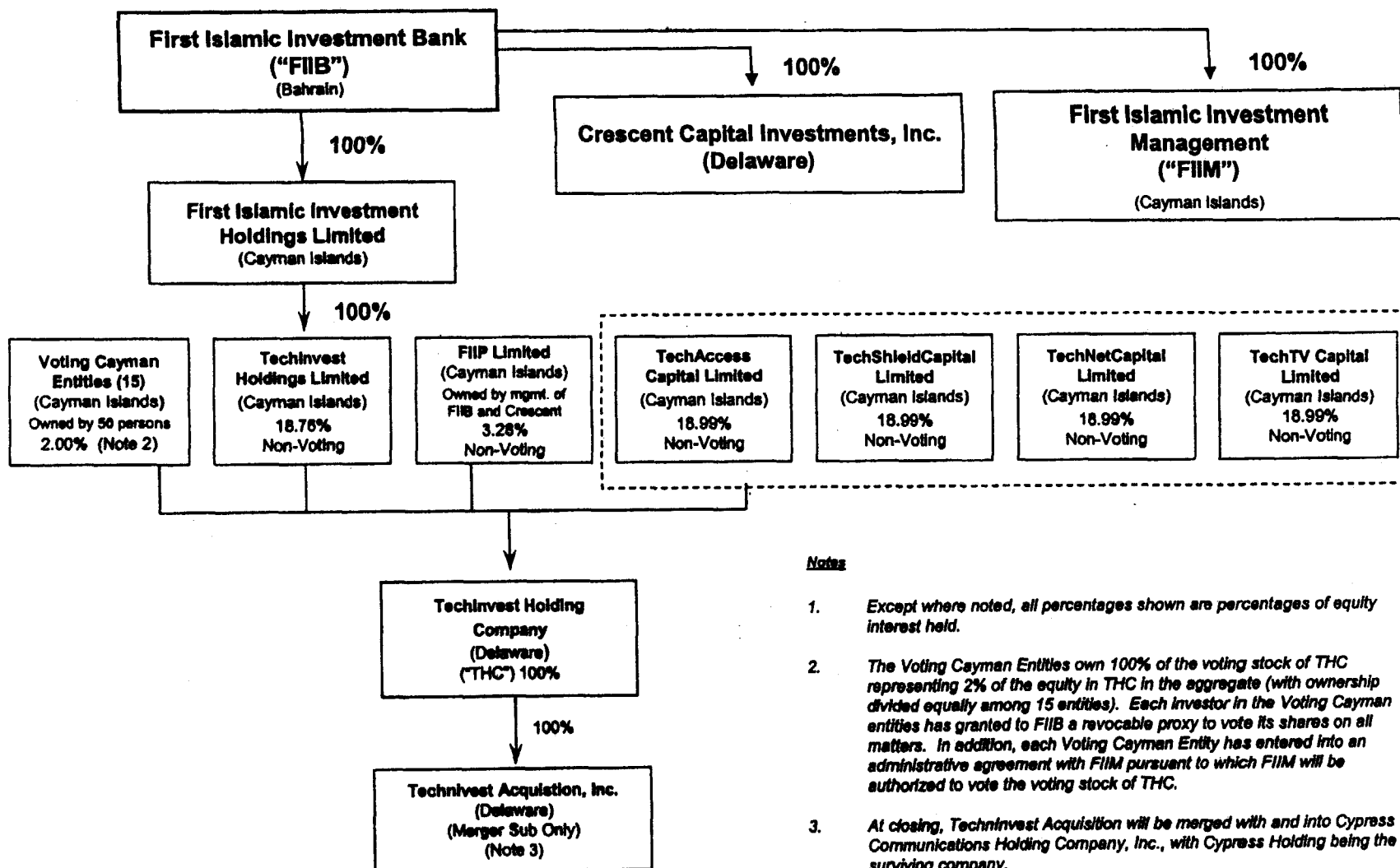
EXHIBIT A	Corporate Organization Charts
EXHIBIT B	Agreement and Plan of Merger
EXHIBIT C	Domestic Section 214 Transfer of Control Information

EXHIBIT A
CORPORATE ORGANIZATION CHARTS

Ownership Structure of Cypress Communications Operating Company Inc. Before Closing



OWNERSHIP STRUCTURE OF TECHINVEST HOLDING COMPANY BEFORE CLOSING (Note 1)



OWNERSHIP STRUCTURE OF CYPRESS AT CLOSING (Note 1)

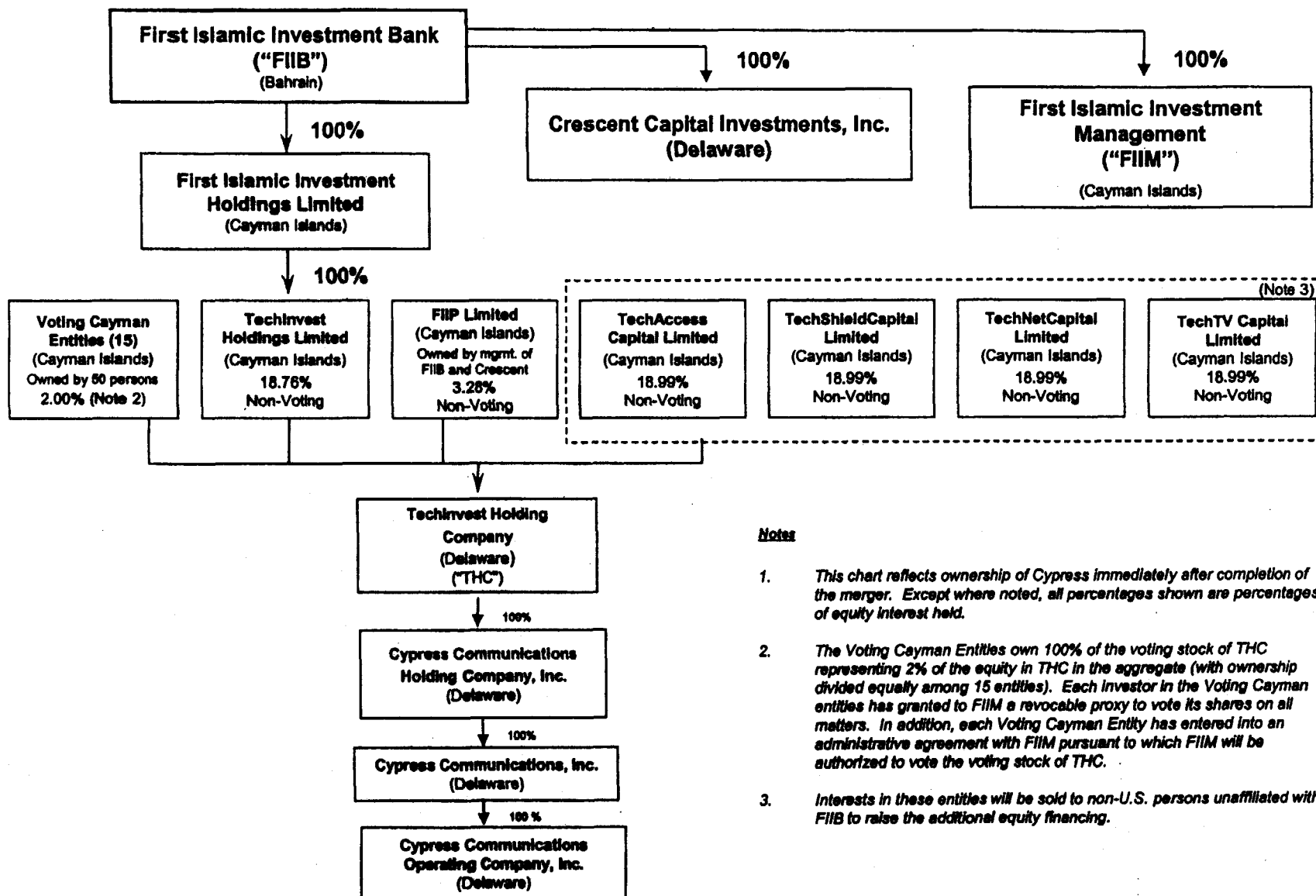


EXHIBIT B

AGREEMENT AND PLAN OF MERGER

EXHIBIT C

DOMESTIC SECTION 214 TRANSFER OF CONTROL INFORMATION

In accordance with the requirements of Section 63.04(b) of the Commission's Rules, 47 C.F.R. § 63.04, the Applicants provide the following information in support of their request.

63.04(b)(6): Description of the Transaction

The proposed transaction is described in Section II of the Application.

63.04(b)(7): Description of Geographic Service Area and Services in Each Area

A description of the geographic service areas and services provided in each area is described in Section I of the Application.

63.04(b)(8): Presumption of Non-Dominance and Qualification for Streamlining

This Application is eligible for streamlined processing pursuant to Section 63.03(b)(1) of the Commission's Rules, 47 C.F.R. § 63.03(1), because neither THC nor any of its affiliates (as that term is defined in Section 3(1) of the Act) is a telecommunications provider.

63.04(b)(9): Other Pending Commission Applications Concerning the Proposed Transaction

None.

63.04(b)(10): Special Considerations

None.

63.04(b)(11): Waiver Requests (If Any)

None.

63.04(b)(12): Public Interest Statement

**The proposed transaction is in the public interest for the reasons detailed in
Section III of the Application.**